CENTRAL INTELLIGENCE AGENCY

19 June 1951

SUBJECT: NIE_34: POSITION OF SPAIN IN THE EAST_WEST CONFLICT (For consideration by the IAC representatives)

I. It was envisaged that the original terms of reference for NIE-34 (dated 17 May) would produce intelligence materials which would permit an estimate of: (a) existing political, economic, and military conditions in Spain; and (b) the contributions Spain itself could make in rendering feasible the various general courses of action open to the US for associating Spain with Western defense. The intelligence materials contributed are generally adequate for estimating (a) above, but are not believed adequate for making the estimate in (b) above. From the contributions received thus far, it is not believed possible to extract those facts which would permit an accurate estimate of the net contribution Spain could make to Western defense.

II. The following paragraphs are designed to elicit the necessary information for making the estimate desired:

- A. BASES. In estimating the value of Spanish air, naval, and supply bases to Western defense, it would be helpful to discuss the contribution the bases could make under certain specific conditions. What would their value be if: (a) air bases in the UK and North Africa remain available; (b) Soviet forces are held at the Rhine; or (c) Soviet forces overrum Western Europe to the Pyreness? Such a discussion would reveal the relative value of Spanish bases to the defense of Western Europe as contrasted to the liberation of Western Europe. It should be pointed out which bases would have the greatest value, not only in terms of the use to which they will be put, but in terms of the following factors bearing on their adequacy, condition, etc:
 - 1. The adequacy and condition of major facilities and equipment — capacity, housing, availability of skilled labor, communications, etc. —, the adaptability of the bases to improvement and expansion, the time required and Spanish resources available for such improvement and expansion.
 - 2. In the light of the foregoing, what logistic problems would be encountered? Are existing port, rail,

and road facilities adequate to handle the supplies and equipment which would have to be imported? Specific tonnage figures should be given, along with the extent of the improvements needed for both peace and wartime operations? What Spanish resources would be available for needed improvements?

- B. <u>HILITARY</u>. It is felt that further discussion of Spanish military strength is required both to support the conclusions reached in the Defense contributions and to provide a clearer picture of Spain's capabilities for improving its military position.
 - 1. Defense. In view of the poor state of training, inadequate munitions and armament, backward transportation and difficult terrain, absence of an effective air force, etc., it would appear that the effectiveness of the natural "Pyrenees barrier" is mainly responsible for the conclusion that "the Spanish Army could offer strong resistance to an attacking ground force." If that is the case, further information would be useful on:

- (a) the meaning of "strong resistance":
- (b) the present status of fortifications along the Pyrenees defense line;
- (c) major logistical factors affecting the defense of the Pyrenees; and
- (d) the number of Spanish troops required for the defense of the Pyrenees.
- 2. Training. Further information is required to support the conclusion that Spain could "improve the quality of training of its present armed forces." Could this be done without US assistance? How much equipment would be needed to institute an adequate training program? How adaptable are Spanish forces to learning to use modern Western equipment? What time factors are involved?
- 3. Industrial and Mobilization Potential. In order to support the statements in the Defense contribution that "Spain could increase the number of ground combat units," that "the Spanish economy could not support an armed establishment of more than 1,500,000 men in case of war with the USSR," and that "Spain could make available combat units outside Spain,"

further specific information is required about Spain's present and potential industrial capabilities:

- (a) Based on a study of present national production and consumption of basic industrial items, to what extent is the Spanish economy presently producing material and equipment for the military establishment? To what extent is it capable of producing strategic materials needed by the NATO countries?
- (b) Allowing for essential civilian requirements, in what lines, if any, is Spain by itself capable of increasing production for military purposes? For export to NATO countries?
- (c) To what extent and in what lines could Spanish production for these purposes be increased with US aid? What time factors would be involved?
- (d) Could, in fact, a strengthened Spanish economy support a mobilized army of 1,500,000 men in event of war with the USSR?
- (e) Under what conditions and in what numbers could Spanish troops be made available for employment outside Spain?

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(f) What would be the political repercussions of stationing sizeable numbers of US civilian and military personnel in Spain? Would Franco be willing to have such personnel in Spain?